



NEW YORK
REGIONAL OFFICE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
100 PEARL STREET, SUITE 20-100
NEW YORK, NY 10004-2616

August 12, 2022

Via ECF

Hon. Edgardo Ramos
United States District Judge
Thurgood Marshall United States Courthouse
40 Foley Square
New York, NY 10007

Re: SEC v. Honig, et al., No. 18 Civ. 8175 (ER) (S.D.N.Y.)

Dear Judge Ramos:

Plaintiff Securities and Exchange Commission (“Commission”) and Defendant Ladd respectfully submit their joint status report.

The parties have completed the discovery permitted by the Court (DE 300) and are ready to proceed to summary judgment motion practice. The Commission intends to move for summary judgment on (1) certain of its fraud claims under Section 17(a)(2) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5(b) thereunder (Complaint (DE 233), Counts 5 and 6); (2) its claim under Securities Act Section 5 (*id.*, Count 11); and (3) its claim under Exchange Act Section 16 (*id.*, Count 17). For its Section 5 and Section 16(a) claims, the Commission relies on the authority and factual bases outlined in its January 8, 2021 Letter (DE 271). For its fraud claims, the Commission will argue that, on May 25, 2016, Ladd submitted a false Form 144 to his broker, which, Ladd admits, misstated the dates of his sale of MGT shares; and that on May 31, 2016, Ladd filed with the Commission a false Form 4 which, Ladd admits, misstated both the dates and nature of the disposition of his MGT shares. Ladd intentionally filed the false Forms 144 and 4 to evade detection of the timing and disposition of his sales of those MGT shares— which Ladd actually had sold earlier in May— in violation of Section 5’s volume limitations for MGT affiliates such as Ladd.

Defendant Ladd also intends to move for summary judgment as to all of the claims against him.

The parties are available for a pre-motion conference to discuss the bases of their respective proposed motions. However, as the Commission noted in its Letter, dated July 15, 2022 (DE 302), the two Commission attorneys assigned to this matter have a trial scheduled to begin on October 11, 2022 before Judge Schofield, *SEC v. Genovese*, 17 Civ. 5821 (LGS), and

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will be unable to brief summary judgment in this matter until mid-November. Ladd stands prepared to brief summary judgment on any dates set by the court.

Respectfully submitted,

/s/ Nancy A. Brown

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Counsel for Plaintiff

/s/ Adam Ford

Adam Ford

Counsel for Defendant Robert Ladd